

STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

IN THE MATTER OF DETERMINING
Whether there has been a violation
of the Washington Franchise Investment
Protection Act by:

CP Franchising, Inc., d.b.a. Cruise Planners

Respondent.

SDO - 103 - 00

CONSENT ORDER

Case No. 00-09-0351

THE STATE OF WASHINGTON TO:

CP Franchising, Inc., d.b.a. Cruise Planners
3300 University Drive
Coral Springs, FL 33065

INTRODUCTION

The Securities Division, Department of Financial Institutions, State of Washington, and Respondent, CP Franchising, Inc., d.b.a. (doing business as) Cruise Planners, hereby agree to this Consent Order in settlement of the matters alleged herein. Respondent neither admits nor denies the Tentative Findings of Fact and Conclusions of Law as set forth below.

TENTATIVE FINDINGS OF FACT

I.

CP Franchising, Inc., d.b.a. Cruise Planners, is a Florida corporation with a principal place of business located at 3300 University Drive, Coral Springs, Florida.

II.

CP Franchising, Inc. is a seller of franchises of cruise travel agency businesses under the Cruise Planners trademark, service mark and trade name. Purchasers of CP Franchising, Inc. franchises

CONSENT ORDER

1

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

CP Franchising, Inc.
d.b.a. Cruise Planners

1 who are not experienced cruise travel agents are obligated to pay an initial franchise fee of \$7,995 upon
2 execution of a franchise agreement, and in return are entitled to receive (among other things) operating
3 manuals and other instructional materials, training in the operation of the business, and use of CP
4 Franchising, Inc. current and future trademarks (including the Cruise Planners trademark), service
5 marks and trade names.

6 III.

7 On March 16, 1999, CP Franchising, Inc. filed or caused to be filed with the Securities Division
8 an initial application and associated materials to register its Cruise Planners franchise offering
9 (franchise registration application file number F-03122) pursuant to Washington's Franchise
10 Investment Protection Act, Ch. 19.100 RCW. A comment letter dated March 24, 1999, issued by a
11 Securities Analyst with the Securities Division outlined a number of deficiencies with the filing.
12 Although some corrected materials were received by the Securities Division in response to the March
13 24, 1999, letter, all comments were not resolved and the Securities Division issued no registration
14 permit for the offering.
15

16 On July 31, 2000, CP Franchising, Inc. again filed or caused to be filed with the Securities
17 Division an application and associated materials to register its Cruise Planners franchise offering
18 (franchise registration application file number F-03387). The application materials indicated for the
19 first time that CP Franchising, Inc. had, between the dates of March 16, 1999, and July 31, 2000,
20 offered and sold four franchises to be located in the State of Washington.
21

22 IV.

23 CP Franchising, Inc., d.b.a. Cruise Planners, has not been, and is not currently, registered with the
24

Securities Division to offer or sell franchises in the State of Washington.

Based upon the above Tentative Findings of Fact, the following Conclusions of Law are made:

CONCLUSIONS OF LAW

I.

The offer and/or sale of the cruise travel agency franchises described in Tentative Findings of Fact I through III above constitutes the offer and/or sale of a franchise as defined in RCW 19.100.010(4).

II.

The offer and/or sale of the franchises as described in Tentative Findings of Fact I through IV above were in violation of RCW 19.100.020 because no franchise registration was in effect with the Administrator of Securities of the State of Washington nor was a permit issued to Respondent CP Franchising, Inc. for the offer and/or sale of Cruise Planners franchises at the time of the offers and sales to the franchisees in the State of Washington.

ORDER AND CONSENT

Based on the premises of the foregoing:

IT IS THEREFORE AGREED AND ORDERED that CP Franchising, Inc., d.b.a. Cruise Planners, its employees and agents each shall cease and desist from the offer and sale of unregistered franchises in the State of Washington in violation of RCW 19.100.020.

IT IS THEREFORE AGREED AND ORDERED that CP Franchising, Inc., d.b.a. Cruise Planners, shall inform all of its current Washington franchisees of the existence and contents of this Order.

IT IS THEREFORE AGREED AND ORDERED that CP Franchising, Inc., d.b.a. Cruise Planners,

shall inform all employees and agents who offer franchises in this State of the existence and contents of this Order for a period of three years from the date of entry of this Order.

IT IS THEREFORE AGREED AND ORDERED that this Order shall remain in force and effect for a period of three years from the date of entry of this Order.

IT IS THEREFORE AGREED that CP Franchising, Inc., d.b.a. Cruise Planners, waives its rights to a hearing in this matter.

IT IS THEREFORE AGREED that the Securities Division has jurisdiction to enter this Order.

WILLFUL VIOLATION OF AN ORDER OF THE SECURITIES ADMINISTRATOR IS A FELONY.

CP Franchising, Inc., d.b.a. Cruise Planners, by:

(Signature)

(Print Name and Title)

Signed this _____ day of _____, 2000.

This Order entered by the Securities Division this 31st day of October, 2000.

By:



Deborah R. Bortner
Securities Administrator

Approved by:

Presented by:

Michael Stevenson
Chief of Compliance

Brad Ferber
Securities Examiner

CONSENT ORDER

4

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760

CP Franchising, Inc.
d.b.a. Cruise Planners

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

CONSENT ORDER

CP Franchising, Inc.
d.b.a. Cruise Planners

DEPARTMENT OF FINANCIAL INSTITUTIONS
Securities Division
PO Box 9033
Olympia, WA 98507-9033
360-902-8760